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PR11:41 For Immediate Release: 12/19/2011

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Chiang's Audit Findings Now Exceed \$3 Billion

Will Continue to Push for Expanded Audit Authority

SACRAMENTO – State Controller John Chiang today announced that since taking office in 2007, his audit findings through State and local investigations now total more than \$3 billion, more than any other Controller in recorded State history.

"Unchecked spending is an invitation for misspending," said Chiang. "My audits offer an inside-look at state and local checkbooks, and show us where fiscal practices need serious improvement. These findings can lead to real taxpayer savings, and every dollar rescued is one that we don't have to take away from education, public safety, or other essential services."

The Controller's office typically has 200 to 300 different audits under way at any given time during the year. A sampling of investigations initiated by Controller Chiang include:

- <u>Unlawful spending</u> and <u>illegal property taxes</u> in the City of Bell
- Misspent and poorly-managed bond funds at LA Community College District
- Massive losses from uncollected fines at State agencies
- Inappropriate spending on gifts at the State Lottery
- No-bid contracts and lax spending controls in the City of Montebello
- Millions in overpayments to a State healthcare contractor

His office is currently in the process of auditing the City of Hercules, and investigating claims of pension-spiking at the California State Teachers' Retirement System.

After completing his work in the City of Bell last year, the Controller's office was flooded with requests audits of more than 200 local governments across California. In order to meet those demands and better protect taxpayer dollars at the local level, the Controller introduced legislation to broaden his office's auditing abilities.

While those bills stalled in the last legislation session, the Controller will continue to push to expand his office's ability to protect taxpayer dollars through financial audits.

For more information on the Controller's audit programs, visit his website at .

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